STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

LARGE MINING OPERATIONS PROGRESS REPORT January 1, 20 11 to December 31, 20 11

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: <u>M390029</u>
2. Mine Name: TRACE MINE 1 - LMO
3. Name of Operator/Permittee: HZOMITE Mineral Products, Inc.
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf .
4. Report the gross amount of ore mined and waste moved:
Gross Ore Mined 20,000 Tons, oryd ³ Waste Material Moved Tons, oryd ³
5. New disturbance created during the year 2.06 Acres
Area reclaimed during the year Acres
Total disturbed area at the end of the year 6.5 Acres*
*The total disturbed area should not be greater than the permitted/bonded acreage
Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed. Worked to decrease slope in areas designated 3:1.
7. Include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105).
I hereby certify the information provided in this report is true and correct to the best of my
knowledge and belief.
Name (Typed or Print): James D. Phillips
Title of Operator: Vice President
Signature of Operator:
Date: 1/30/12
bb
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DIV. OF OIL, GAS & MINING

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